



# NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

**FOR IMMEDIATE RELEASE**  
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## **CALIFORNIA TREASURER ANGELIDES WINS CALSTRS APPROVAL OF INITIATIVE TO INVEST IN STOCKS OF ENVIRONMENTALLY RESPONSIBLE COMPANIES**

*Teachers' Retirement System's New Investment Initiative Represents Final Key Plank of  
Angelides' Groundbreaking "Green Wave" Environmental Investment Initiative*

SACRAMENTO, CA – The California State Teachers' Retirement System (CalSTRS) agreed today to launch a new effort to invest in the stocks of environmentally responsible companies, marking the adoption of the final key component of Treasurer Phil Angelides' landmark *Green Wave* environmental investment initiative. Treasurer Angelides launched the *Green Wave* initiative in February 2004 to bolster CalSTRS' and the California Public Employees' Retirement System's (CalPERS) financial returns, create jobs, and clean up the environment. As a part of that proposal, Treasurer Angelides urged CalSTRS to commit \$500 million to investments in environmentally responsible companies. Today's decision by CalSTRS means the total commitment to environmentally responsible companies and technologies by the two funds under the *Green Wave* initiative will likely exceed \$1 billion.

Angelides said investing in such funds will not only provide CalSTRS with the opportunity for enhanced financial returns, but will also send a strong signal to corporations about the added value of responsible, forward-looking environmental practices. Under Angelides' proposal, the performance of any manager selected must equal or exceed that of the fund's existing, active managers.

"I applaud CalSTRS for catching the '*Green Wave*' of smart environmental investment and responsible corporate environmental stewardship," the Treasurer said. "The evidence is in: Publicly traded companies that act in an environmentally responsible manner do not just clear the air, land and water of pollutants, but also improve their bottom line for shareholders."

A report released by CalSTRS last week concluded that investments in environmentally screened stock funds have the potential to both achieve positive financial returns for the pension fund and meet environmental goals.

Today's action marks CalSTRS' adoption of the fourth and final key plank of the Treasurer's *Green Wave* initiative. In June 2004, CalSTRS approved the Treasurer's clean technology investment proposal, committing to make an initial investment of up to \$250 million in the clean energy and technology sectors. In July 2004, CalSTRS voted to push corporations to improve their environmental operations, to combat global warming,

and to provide investors with meaningful reporting of their environmental risks and liabilities. And, in December 2004, CalSTRS approved Treasurer Angelides' landmark energy savings plan for the pension fund's real estate portfolios, pledging to reduce energy consumption in its \$7.9 billion, 144 million square-foot real estate portfolio by 20 percent over 5 years. CalPERS, the nation's largest public pension fund, has also adopted each piece of the Treasurer's *Green Wave* initiative.

A summary of CalPERS' and CalSTRS' investment commitments to the Treasurer's *Green Wave* initiative is attached.

## **CALIFORNIA PENSION FUNDS CATCH THE *GREEN WAVE***

### **A Review of CalPERS' and CalSTRS' Investment Commitments to Treasurer Angelides' Green Wave Initiative**

<b>Private Investment in Environmental Technologies</b>		
March, 2004	CalPERS pledges an initial commitment of \$200 million	✓
June, 2004	CalSTRS commits to an initial investment of \$250 million	✓
<b>Reduce Energy Consumption in Real Estate Portfolios</b>		
December, 2004	CalSTRS adopts 20% energy reduction goal	✓
December, 2004	CalPERS adopts 20% energy reduction goal	✓
<b>Environmental Accountability and Disclosure</b>		
July, 2004	CalSTRS votes to make Environmental Disclosure a top priority	✓
February, 2005	CalPERS approves new Corporate Environmental Accountability Initiative	✓
<b>Invest in Stocks of Environmentally Responsible Companies</b>		
April, 2004	CalPERS agrees to invest up to \$500 million	✓
<b>Today</b>	<b>CalSTRS launches new effort to invest in stocks of environmentally responsible companies</b>	✓